

# GLOBAL EQUITY FEEDER FUND

## FUND DETAILS AT 31 JULY 2008

**Sector:** Foreign - Equity - General  
**Inception date:** 1 April 2005  
**Fund managers:** Ian Liddle (The underlying Orbis Global Equity Fund has its own portfolio manager.)

**Fund objective:**  
 The objective of the Fund is to outperform the FTSE World Index at no greater than average risk of loss in its sector.

### Suitable for those investors who:

- Would like to invest in global shares and benefit from offshore exposure.
- Want to gain exposure to markets and industries that are not necessarily available locally.
- Would like to hedge their investments against any rand depreciation but do not have the minimum required to invest directly in the Orbis Global Equity Fund.

**Price:** R 16.05  
**Size:** R 2 602 m  
**Minimum lump sum:** R 25 000  
**Minimum monthly:** R 500  
**Subsequent lump sums:** R 2 500  
**Status of** Currently open

**Income distribution: 01/01/07 - 31/12/07 (cents per unit)** Total 1.17  
 Distributes annually. To the extent that the total expenses exceed the income earned in the form of dividends and interest, the Fund will not make a distribution.

**Annual management fee:**  
 No fee. The underlying fund, however has its own fee structure.

## COMMENTARY

Global markets seem caught in a cloud of volatile indecision of late. Daily news related to emotionally charged macroeconomic and systemic factors, such as energy prices and the core health of the global lending system, is driving equities to big daily, or even hourly, moves in both directions. At times like this, sometimes the most simple and solid investment cases are ironically the ones that get most overlooked. Microsoft, one of your Fund's top 10 positions, sells for 12 times 2009 earnings and has an 8.5% Free Cash Flow (FCF) yield. Despite being one of the largest and best-known companies in the world, it is growing earnings at 10% and could enhance that to 15% should management choose to use its prodigious FCF to buy back shares. This is in contrast to expected negative earnings for the US market as a whole. Microsoft has a rock-solid balance sheet, dominates its markets, and has no material exposure to toxic subprime, Alt-A, CDO, or any other exotic financial instruments.

## GEOGRAPHICAL DEPLOYMENT

This Fund invests solely into the Orbis Global Equity Fund

Region	Fund's % exposure to:		% of World Index
	Equities	Currencies	
United States	30	29	44
Canada	0	0	4
North America	30	29	48
United Kingdom	6	0	9
Continental Europe	18	11	22
Europe	24	11	31
Japan	25	47	9
Korea	7	2	2
Greater China	8	8	3
Other	2	2	1
Asia ex-Japan	17	12	6
South Africa and other	4	1	6
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## TOTAL EXPENSE RATIO\*

Total expense ratio	Included in TER			
	Trading costs	Performance component	Fee at benchmark	Other expenses
3.02%	0.18%	1.01%	1.49%	0.34%

\*A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. It is expressed as a percentage of the average value of the portfolio, calculated for the year to the end of June 2008. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, STT, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The information provided is applicable to class A units.

## PERFORMANCE

Fund performance shown net of all fees and expenses as per the TER disclosure.

Percentage return in Rands	Fund	Benchmark*
Since Inception (unannualised)	61.0	57.1
Latest 3 years (annualised)	12.2	12.3
Latest 1 year (annualised)	-10.3	-6.8

Percentage return in dollars	Fund	Benchmark*
Since Inception (unannualised)	36.2	32.9
Latest 3 years (annualised)	8.1	8.2
Latest 1 year (annualised)	-13.2	-9.8

Risk measures (Since inception month end prices)	Fund	Benchmark*
Percentage positive months	65	62.5
Annualised monthly volatility	14.1	13.5

\* Benchmark: FTSE World Index. Source: Bloomberg, performance as calculated by Allan Gray as at 31 July 2008.

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Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue. Declaration of income accruals are made annually. Fund valuations take place at approximately 16h00 each business day. Purchase and repurchase requests may be received by the manager by 14h00 each business day. Performance figures from Allan Gray Limited (GIPS compliant) are for lump sum investments using net asset value prices with income distributions reinvested. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges, trustee fees and RSC levies. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees and charges and maximum commissions is available on request from Allan Gray Unit Trust Management Limited. Commission and incentives may be paid and if so, would be included in the overall costs. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Forward pricing is used. A Feeder Fund portfolio is a portfolio that, apart from assets in a liquid form, consists solely of units in a single portfolio of a collective investment scheme. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. This Fund may be capped at any time in order to be managed in accordance with the mandate. Member of the ACI. Total Expense Ratio (TER): When investing, costs are only a part of an investment decision. The investment objective of the Fund should be compared with the investor's objective and then the performance of the investment and whether it represents value for money should be evaluated as part of the financial planning process. All Allan Gray performance figures and values are quoted after the deduction of costs incurred within the Fund so the TER is not a new cost.